

Message Text

CONFIDENTIAL

PAGE 01 SAN JO 03134 072312Z
ACTION ARA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-04 H-01 INR-07
L-03 NSAE-00 NSC-05 PA-01 PRS-01 SP-02 SS-15
USIA-06 EB-07 COME-00 TRSE-00 OMB-01 SEC-01
JUSE-00 SCA-01 /070 W
-----093926 072314Z /65

P R 072215Z JUL 77
FM AMEMBASSY SAN JOSE
TO SECSTATE WASHDC PRIORITY 8022
INFO AMEMBASSY GUATEMALA
AMEMBASSY MANAGUA
AMEMBASSY PANAMA
AMEMBASSY SAN SALVADOR
AMEMBASSY TEGUCIGALPA

C O N F I D E N T I A L SAN JOSE 3134

E.O.11652: GDS
TAGS: CS, PGOV
SUBJECT: VESCO APPEARS BEFORE COSTA RICAN LEGISLATIVE COMMISSION

BEGIN UNCLASSIFIED

SUMMARY: ROBERT VESCO, TESTIFYING IN ENGLISH, DENIED TO
COSTA RICAN LEGISLATIVE COMMISSION INVESTIGATING POLITICAL
CORRUPTION THAT HE CONTRIBUTED TO 1974 ELECTION CAMPAIGN HERE.
VESCO CLAIMED REPEATEDLY THAT HE WAS VICTIM OF WATERGATE
PERSECUTION AND SUGGESTED COMMISSION INVESTIGATE HIS OWN
ALLEGATION THAT USG CONTRIBUTED TO COSTA RICAN POLITICAL
PARTIES A LA CHILE. THERE WERE SHARP, ACRIMONOUS EXCHANGES.
ALTHOUGH VESCO SOUGHT TO APPEAR WELL PREPARED AND DOCUMENTED, HIS
MANNER WAS ARROGANT AND CONDESCENDING. HE TALKED A LOT BUT SAID
LITTLE NEW. END SUMMARY.

1. ROBERT VESCO, TESTIFYING JULY 6 BEFORE A FIVE MAN
CONGRESSIONAL COMMISSION INVESTIGATING THE FINANCING OF
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 SAN JO 03134 072312Z

POLITICAL PARTIES, CATEGORICALLY DENIED MAKING FINANCIAL
CONTRIBUTIONS TO PRESIDENT ODUBER'S 1974 CAMPAIGN OR THAT OF
ANY ASSEMBLY DEPUTY. HE CHARGED HOWEVER THAT THEN NATIONAL
UNIFICATION PARTY PRESIDENTIAL CANDIDATE DR. FERNANDO TREJOS
AND OPPOSITION DEPUTY RODOLFO PIZA HAD SOLICITED FINANCIAL
CONTRIBUTIONS FROM HIM DURING THE 1974 CAMPAIGN WHICH HE
TURNED DOWN. (PIZA DENIED THE CHARGE). VESCO'S UNSWORN

TESTIMONY WAS REplete WITH CHARGES OF USG POLITICAL PERSECUTION.

2. VESCO'S 4 HOUR APPEARANCE BEFORE THE COMMITTEE WAS MARKED BY ACRIMONY AND SHARP EXCHANGES. TO MANY, VESCO APPEARED ARROGANT AND DISRESPECTFUL OF COSTA RICA'S LEGISLATURE. AT TIMES, HE INSULTED AND RIDICULED THE DEPUTIES QUESTIONING HIM. SUBSTANTIVELY, AS NOTED BY ONE LEADING RADIO NEWSCASTER, VESCO TALKED A LOT BUT SAID LITTLE.

3. VESCO STATED THAT HE HAD NO INVOLVEMENT, FINANCIAL OR OTHERWISE, WITH MORNING DAILY EXCELSIOR AND VARIOUS RADIO STATIONS AS ALLEGED. HE PRODUCED A LETTER FROM FORMER PRESIDENT FIGUERES, A FOUNDER OF EXCELSIOR AND THE RADIO STATIONS, WHICH REFUTED SUCH ALLEGATIONS AND FLATLY STATED THAT VESCO HAD NOT INVESTED IN THE ENTERPRISES. (FIGUERES REFUSED TO APPEAR BEFORE COMMISSION). AT ANOTHER POINT, HOWEVER, VESCO SAID THAT HE HAD RECEIVED AN OFFER TO PURCHASE MAJORITY INTEREST IN MORNING DAILY LA REPUBLICA WHICH HE REJECTED. HE ALSO ALLEGED THAT AID HAD ILLEGALLY FINANCED A NEWSPAPER IN COSTA RICA (SIC) AND SUGGESTED COMMISSION INVESTIGATE VESCO'S ALLEGATION THAT USG CONTRIBUTES TO COSTA RICAN POLITICAL PARTIES "SUCH AS CHILEAN CASE". HE REFUSED TO ELABORATE FURTHER.

4. RE VESCO'S CHARGES THAT USG IS POLITICALLY PERSECUTING HIM, HE MENTIONED THE WILKINS CASE, WATERGATE, SEC, DEPARTMENT OF JUSTICE, JOHN DEAN, JOHN MITCHELL, US EMBASSY, ETC. HE
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 SAN JO 03134 072312Z

SUBMITTED 20 ODD DOCUMENTS TO SUPPORT HIS CHARGES.

5. OTHER POINTS MADE BY VESCO:

-- HE HAD NO FINANCIAL RELATIONSHIP WITH THE COMPANIES CURRENTLY BEING INVESTIGATED IN THE RECOPE SCANDAL. (SAN JOSE 2670 AFD 2777).

-- HIS RELATIONSHIP WITH EX-PRESIDENT FIGUERES IS PERSONAL NOT POLITICAL. FIGUERES IS A "FRIEND".

-- HE DOES NOT KNOW THE THREE CURRENT PRESIDENTIAL CANDIDATES LUIS ALBERTO MONGE, RODRIGO CARAZO OR GUILLERMO VILLALOBOS ARCE, OR EX-PRESIDENT MARIO ECHANDI, OR NATIONAL INDEPENDENT PARTY LEADER JORGE GONZALEZ MARTEN.

6. FOLLOWING VESCO'S TESTIMONY, THE COMMISSION WENT TO THE CASA PRESIDENCIAL WHERE THEY MET WITH PRESIDENT ODUBER FOR TWO HOURS. ODUBER REITERATED THAT HE HAD NOT RECIEVED CAMPAIGN CONTRIBUTIONS FROM VESCO, AND THAT JOSE FIGUERES' NEW REPUBLIC INTERVIEW DECLARATIONS WERE IMPRUDENT. HE LAMENTED THE ENTIRE PROBLEM OF CAMPAIGN FINANCING AND CALLED FOR REFORM. ODUBER SAID THAT INADEQUATE CONTROL MEASURES MADE IT EXTREMELY DIFFICULT TO INVESTIGATE THE FUNDING OF PAST CAMPAIGNS. FINALLY, THE PRESIDENT LASHED OUT AT THE PRESS INDICATING

THAT FREEDOM OF INFORMATION DOES NOT EXIST BECAUSE THE OWNERS OF THE MEDIA DECIDE WHAT WILL BE DISSEMINATED.

7. IN HEARINGS THAT BEGAN ON JUNE 27, VESCO'S APPEARANCE HAS THUS FAR ATTRACTED THE MOST PUBLIC ATTENTION. THE COMMISSION WAS ESTABLISHED AFTER WEEKS OF FOOT-DRAGGING TO LOOK INTO JOSE FIGUERES' NEW REPUBLIC REVELATIONS AND OTHER CHARGES OF ILLICIT CAMPAIGN FUNDING. THE FIVE MEMBER COMMISSION IS CHAIRED BY OPPOSITION DEPUTY ORLANDO SOTELE AND INCLUDES TWO PLN MEMBERS, ONE OTHER OPPOSITION MEMBER, AND COMMUNIST DEPUTY FERRETO.. THOUGH NOT A MEMBER OF THE COMMISSION, NATIONAL UNITY DEPUTY RODOLFO PIZA HAS BEEN ACTIVELY INVOLVED IN ITS WORK. OTHER DEPUTIES INCLUDING JOSE MIGUEL CORRALES (NATIONAL LIBERATION), MIGUEL ANGEL QUESADA AND ALVARO CHEN (NATIONAL CONFIDENTIAL

CONFIDENTIAL

PAGE 04 SAN JO 03134 072312Z

UNITY) PARTICIPATED IN THE QUESTIONING OF VESCO.

END UNCLASSIFIED

BEGIN CONFIDENTIAL

8. COMMENT: ONCE AGAIN VESCO HAS PUT HIMSELF FRONT AND CENTER IN THE COSTA RICAN POLITICAL MILIEU. HIS INSULTING MANNER, AND HIS ABILITY TO TALK AROUND ANSWERS TO SIMPLE QUESTIONS HAVE NOT ENDEARED HIM TO THE COSTA RICAN PUBLIC. AT SAME TIME, THOUGH, VESCO IMPRESSED WITH HIS KNOWLEDGE OF THE SUBJECT MATTER, HIS PROWESS IN VERBAL SPARRING, AND THE NUMBERS OF DOCUMENTS HE BROUGHT WITH HIM. IN SUM, THE SPECTACLE HAS LEFT THE IMAGE OF AN UNSAVORY, ALBEIT POWERFUL, AMERICAN. IT HAS ALSO, HOWEVER, FOCUSED VESCO POLITICALLY ONCE AGAIN. IN THIS REGARD, MIN OF PUBLIC SECURITY SPOKE JULY 6 TO AMBASSADOR OF THE NEED FOR VESCO TO LEAVE COSTA RICA THIS CAMPAIGN YEAR, AND SUGGESTED IT WOULD BE SOON, "SINCE VESCO WAS THE ONE ELEMENT THAT COULD THREATEN PUBLIC ORDER DURING THE CAMPAIGN".
WEISSMAN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: COURTS, POLITICAL PARTIES, FINANCIAL CONTRIBUTIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 07-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977SANJO03134
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770242-0205
Format: TEL
From: SAN JOSE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770782/aaaactmo.tel
Line Count: 157
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 6e57a66f-c288-dd11-92da-001cc4696bcc
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 12-Jan-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1936556
Secure: OPEN
Status: NATIVE
Subject: VESCO APPEARS BEFORE COSTA RICAN LEGISLATIVE COMMISSION BEGIN UNCLASSIFIED SUMMARY: ROBERT VESCO, TESTIFYING IN ENGLISH, DENI
TAGS: PGOV, CS, US, (VESCO, ROBERT L)
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/6e57a66f-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009